

## Message Text

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ORIGIN XMB-04

INFO OCT-01 ARA-10 ISO-00 EB-08 FSE-00 /023 R

EXIMBANK

DRAFTED BY XMB: MAKIMBALL/PEP  
APPROVED BY EB/IFD/ODF:THTHOMAS  
XMB: GWBOGDANOFF  
ARA/AND/E:JALLITTO

-----290431Z 042209 /21

R 281553Z APR 77  
FM SECSTATE WASHDC  
TO AMEMBASSY QUITO

UNCLAS STATE 095807

E.O. 11652: N/A

TAGS: EFIN

SUBJECT: EXIMBANK DEFAULT D-9916/G-9-316 - MINISTERIO DE  
GOBIERNO, QUITO AND MINISTRY OF FINANCE

REF: QUITO 1162, STATE 029325

1. DEFAULT ON FINAL TWO INSTALLMENTS DUE OCTOBER 1975 AND  
APRIL 1976 IN TOTAL PRINCIPAL AMOUNT OF DOLS 64,756.00 PLUS  
INTEREST CONTINUES. BANK OF AMERICA HAS NOT FILED CLAIM  
UNDER BANK GUARANTEE PROGRAM.

2. EXIMBANK HAS BEEN WORKING WITH BANK OF AMERICA NEW YORK  
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WHICH HAS BEEN PERIODICALLY CABLING ITS BRANCH IN QUITO.

3. ON MARCH 15, 1977 BANK OF AMERICA NEW YORK RECEIVED  
FOLLOWING CABLE FROM MR. GEORGE OF QUITO BRANCH: QUOTE  
DIFFERENCE OF US 3,000. EXPECTED TO BE PAID THIS WEEK BY  
MINISTRY OF FINANCE IT SEEMS THAT MINISTRY OF FINANCE  
DUPLICATED PAYMENT BY SENDING TO ITS CORRESPONDENT IN THE  
US DOLS 64,000. TO BE CREDITED TO EXIMBANK STOP EXIM  
RETURNED CREDIT DUE TO NO REFERENCE STOP IF SO MINISTRY OF

FINANCE IS TO CREDIT YOU INSTEAD AND SINCE I HOLD OTHER PAYMENT WE CAN COLLECT ALL PAST DUE INTEREST ACCORDING TO MINISTRY'S OFFICIALS STOP IT SEEMS WE ARE FINALLY GOING TO CANCEL OPERATION. UNQUOTE

4. AS A RESULT OF ABOVE CABLE COPY OF WHICH FURNISHED TO EXIMBANK, AN ATTEMPT WAS MADE TO TRACE ANY SUCH PAYMENT MADE TO EXIMBANK WITH NO SUCCESS. HOWEVER IT NOW DEVELOPS THAT EXIMBANK DID RECEIVE DOLS 64,756.00 ON FEBRUARY 23, 1977 WHICH WAS UNIDENTIFIED AND AT THE SPECIFIC REQUEST OF THE REMITTER, NATIONAL POLICE DEPARTMENT, BANCO CENTRAL ECUADOR, THE FUNDS WERE RETURNED TO ECUADOR ON APRIL 6, 1977, THROUGH THE FEDERAL RESERVE BANK OF NEW YORK, IDENTIFICATION NO. IMA 0406 1002, BHW 110002.

5. EXIMBANK CONTACTED MR. BLAISDALE OF QUITO BRANCH BY PHONE ON APRIL 25, 1977 AND EXPLAINED THAT ANY PAYMENTS ON DEBT SHOULD GO TO BANK OF AMERICA NEW YORK SINCE EXIMBANK HAS NOT PAID A CLAIM, AND THAT RETURN OF DOLS 64,756.00 WAS ACCOMPLISHED AT THE REQUEST OF THE REMITTER OF THE FUNDS IN ECUADOR, WHEN EXIMBANK REQUESTED IDENTIFICATION DATA.

6. MR. BLAISDALE STATED THAT HE WAS NOT AWARE OF ANY LOCAL CURRENCY IN HIS BRANCH TO COVER SUBJECT DELINQUENCY. EXIMBANK IS CURIOUS TO KNOW WHAT THE QUITO BRANCH OF BANK OF AMERICA MEANT IN ITS CABLE OF MARCH 15, 1977 QUOTED UNCLASSIFIED

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ABOVE IN ITEM 3 WHEN IT REFERRED TO QUOTE DUPLICATED PAYMENT UNQUOTE. IF THE PAYMENT SENT TO EXIMBANK WAS THE SECOND OR DUPLICATED PAYMENT, WHERE IS THE FIRST PAYMENT.

7. MR. BLAISDALE STATED THAT HE WOULD CHECK INTO THE MATTER OF THE DEFAULTS, DETERMINE THE REASON FOR THE EXTENDED DELAY IN RECEIPT OF PAYMENTS BY BANK OF AMERICA AND CABLE BANK OF AMERICA IN NEW YORK AND EXIMBANK ADVISING US OF THE STATUS OF THIS COLLECTION, AND WHEN DOLLARS WOULD BE RECEIVED BY BANK OF AMERICA.

8. MR. BLAISDALE ALSO INDICATED ON HIS OWN THAT HE WOULD CONTACT THE EMBASSY FOR AID IN COLLECTION. WOULD APPRECIATE EMBASSY'S GUIDANCE OF BANK OF AMERICA AS DEEMED APPROPRIATE IN EFFORTS TO COLLECT FUNDS IN QUESTION. ALSO, PLEASE DETERMINE WHETHER LOCAL CURRENCY HAS BEEN DEPOSITED AND IN WHAT EQUIVALENT AMOUNT TO COVER DEFAULTS AND WHEN CAN DOLLARS BE EXPECTED BY BANK OF AMERICA NEW YORK.

9. ANY FURTHER ADVICE OR INFORMATION IN THIS MATTER WOULD BE APPRECIATED.

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## Message Attributes

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**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Review Markings:**  
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